

Appointment of Sam Hosack as Managing Director

Prospect Resources Ltd (ASX: PSC) (Prospect, the Company) is pleased to announce the appointment of Mr Sam Hosack as Managing Director from 14 July 2018. Prior to 14 July, Sam will be employed by the Company as an executive on a part time basis.

Mr Hosack is a third generation Zimbabwean, residing in Western Australia. He holds a Bachelors Engineering Degree (Hons) from Essex University in UK, MBA from Ashcroft Business School (UK) and respective professional registrations. He has hands on experience in the delivery of large scale mining, power and port projects to market, as well as their operations. For the past 12 years he has been employed by First Quantum Minerals Ltd, primarily in their Projects team, where most recently he has project managed the building of a port (coal offloading and copper loading), 120km 230kV transmission line and a 300MW coal fired powerstation for the Minera Panama Project in Panama. His mining and operations experience in North and Southern Africa, Europe, Australia and Central America will be central in delivering the Arcadia Project and in building Prospect into a diversified mining business.

Hugh Warner, Executive Chairman commented: "Prospect is moving from being an exploration company to a mining company and its leadership team is being expanded to include additional personnel with significant mining operations experience. Sam is one of the leading international mining figures of the next generation. He has built his experience within First Quantum, one of the great international mining companies, whose origins also began in Africa. Sam is a strong leader and team player and he is expected to be pivotal in helping the board take Prospect into the ranks of lithium producer companies."

The key terms of Mr Hosack's appointment are set out in **Attachment 1**.

Resignation of Manana Nhlanhla, non executive director

In line with the above leadership changes, the Company also advises that Manana Nhlanhla has resigned as a director effective today. Manana represents Armoured Fox, one of the Company's early angel investors and substantial shareholders. Armoured Fox's early investments in Prospect came at crucial times in our corporate development and provided Prospect with the financial confidence to achieve what we have to date. The Company would like to thank Manana for her service on the Board and support during her term.

For further information, please contact:

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Attachment 1
Summary Terms of Employment
Sam Hosack

Commencement Date	13 May 2018
Term	Appointment on an on-going basis until terminated by either party
Salary	\$350,000 per annum (inclusive superannuation)
Incentive Arrangements	
Bonus	\$75,000 on signing \$100,000 on the first anniversary of the Commencement Date subject to compliance with the terms of employment.
Options	Options to subscribe for 45 million ordinary shares in the Company at a subscription price per share of \$0.06 and an expiry date of 12 May 2022
Termination and Notice	Either party may terminate the contract on 3 months written notice. The Company may terminate the contract summarily in the case of serious misconduct, an unremedied breach of contract, neglect of duty, failure to comply with a lawful and reasonable direction, conviction of a criminal offence, bankruptcy or conduct that may cause a materially detrimental effect on the Company. During the first 3 months, the Company may terminate the contract on 4 weeks notice.
